

FFY 2015 Home Energy Plus Furnace Program Manual



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DISCLAIMER

The Wisconsin Home Energy Plus (HE+) Furnace Program and Operations Manual is written by the Wisconsin Department of Administration (WI DOA), Division of Energy Services (DES) for use by the contracting WHEAP and Weatherization agencies, counties, and/or tribes administering the local HE+ Furnace Program. DES reserves the right to change the Policies and Guidelines set forth in the HE+ Furnace Program Manual during the Federal Fiscal Year (FFY). Any DES-initiated Information Transmittals issued via broadcast email distributed subsequent to the publishing of the current FFY HE+ Furnace Program Manual and establishing new or updated policy shall supersede the Policies and Guidelines set forth in the current FFY HE+ Furnace Program Manual.

Questions or concerns regarding the interpretation of the Policies and Guidelines set forth in the current FFY HE+ Furnace Program Manual shall be directed to the Division of Energy Services' HE+ Help Desk (heat@wisconsin.gov or 608-267-3680).

Chapter 1 Introduction

The Home Energy Plus (HE+) Furnace Program is a year-round program that provides assistance to eligible low-income Wisconsin households when their primary heating system (“furnace”¹) no longer provides heat, is inoperable, or becomes unsafe. Local Weatherization agencies are responsible for managing program delivery and invoices for payment of completed work. The Wisconsin Home Energy Assistance Program (WHEAP) agency verifies applicant eligibility and reserves funds when completing the referral to the Weatherization agency. WHEAP and Weatherization agencies work cooperatively to ensure program goals and requirements are met while providing timely delivery of service. All other applicable WHEAP and Weatherization program requirements apply.

The HE+ Furnace Program includes three basic types of referrals (see chart below). The factors that determine the type of **referral**² are the time of year and the way in which the referral for service is initiated.

| Type of Service | Service Availability | Description |
|---------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| WHEAP Referral Emergency Furnace Services | October 1 – May 15 (Heating Season) | WHEAP agency makes referral to Weatherization agency. Emergency Response timeline applies. |
| WHEAP Referral Non-emergency Furnace Services | May 16 – September 30 | WHEAP agency makes referral to Weatherization agency Emergency Response timeline applies only for unsafe heating system. |
| Weatherization Referral (Wx-REF) | October 1 – September 30 (year-round: WHEAP Program Year) | Weatherization agency refers applicant to WHEAP agency to verify applicant current program year eligibility and to reserve furnace funds. The determination to repair or replace occurs during a Weatherization job at pre-audit, audit or in-progress. |

¹ The term “furnace” is used interchangeably with the term “heating system” throughout this manual.

² The first use of a term or phrase defined in Appendix A is in **bold text**.

1.1 Overview

The following criteria apply to the HE+ Furnace Program:

- 1) Current Federal Fiscal Year (FFY) WHEAP eligibility is required. *If the applicant eligibility has not been determined when the furnace service is requested, the WHEAP agency shall make it a priority to assist the client in completing a current year HE+ application, especially with regard to a Weatherization Referral.* An early application may be required if referral is near the end of the program year and the furnace cannot be completed and paid by the end of the current program year.
- 2) A rental property with at least two and as many as four units is eligible for HE+ Furnace Program services when the criteria in Sections 3.4 and 3.5 of this manual are met.
- 3) There is no entitlement to furnace services. HE+ Furnace Program services may be denied for a number of different reasons including:
 - a) The household has adequate resources (or assets) to deal with the furnace failure;
 - b) The furnace is in an **ineligible dwelling** (See Section 3.5);
 - c) Funds allocated to furnace services have been expended;
 - d) Condition or maintenance of the dwelling prohibits access to the heating system, and/or prevents the heating system from safely operating;
 - e) Worker safety appears threatened due to the structural condition or maintenance of the dwelling, occupant(s) behavior, unrestrained animals, or illegal activity;
 - f) Applicant has altered the operation of the furnace or has mistreated the furnace; or
 - g) Other reasons specific to the dwelling or household.
- 4) WHEAP agency referrals for Emergency and Non-emergency service may be denied when:
 - a) The heating system is working and there is not a heating system safety concern with regard to the applicant household; or
 - b) There is a secondary heating system capable of providing adequate heat to the dwelling.
- 5) Only the heating system that runs on the primary fuel designated in the current year HE+ application will be serviced through the Furnace Program, unless the need for a change in the household's primary fuel type is clearly identified. (See Section 5.2.3.2.)
- 6) For cost limits and information related to decision-making for repair versus replacement, see Chapter 5.
- 7) The local WHEAP agency is responsible for verifying WHEAP eligibility and homeownership prior to referring a household to the Weatherization agency for HE+ Furnace Program assistance.
- 8) The local WHEAP agency is responsible for verifying WHEAP eligibility for a Weatherization Referral prior to the start of the furnace service work. When considering a Wx-REF verify with the WHEAP agency current year eligibility prior to starting any work on the heating system.
- 9) The Weatherization agency is responsible for verifying homeownership for a Weatherization Referral.

- 10) The Weatherization agency is responsible for coordinating the installation of repairs and/or replacements, remediation steps with the contractor or applicant, and entering invoices in the HE+ System.
- 11) The WHEAP agency is responsible for ensuring applicant household safety, as it relates to a no-heat or potential unsafe furnace situation.
- 12) Home Energy Plus Furnace Program service decisions are not eligible for appeal.
- 13) If the Contractor observes the dwelling unit is not occupied (no furniture in the home, unplowed/unshoveled sidewalk/driveway) the Contractor shall cease the provision of services and immediately contact the Agency or authorized agent for additional instruction.
- 14) If fraud is suspected cease the provision of services and contact the Help Desk for additional guidance.

Chapter 2 Response Requirements

2.1 WHEAP Agency Response Requirements

WHEAP Referral: Emergency Referral Furnace services: During the **heating season**, the local WHEAP agency shall respond to requests for a heating system repair or replacement within 48 hours. **If the situation is potentially life-threatening, the WHEAP agency shall respond within 18 hours.** In determining whether the situation is life-threatening, the WHEAP agency shall consider the expected low temperature for the next 72 hours and whether the household contains any vulnerable individuals (elderly, disabled, or children under six).

The local WHEAP agency shall establish procedures with the Weatherization agency to ensure a furnace repair or replacement occurs within 72 hours of notification to the Weatherization agency for heating unit emergencies. If status notification from the Weatherization agency indicates the 72 hour deadline will be exceeded, the Weatherization agency shall document this via the HE+ Furnace System Notes and notify WHEAP to ensure continued safety needs of the household are met, if applicable. *Reminder: It is the responsibility of the WHEAP agency to ensure the health and safety of the household.*

WHEAP Referral: Non-emergency Furnace services: From May 16 – September 30, the local WHEAP agency shall respond to requests for heating system repair or replacement (**non-emergency referral**) within five business days of the initial request. If there is a safety concern with the furnace, the Emergency Furnace service timelines shall apply.

Weatherization Referral (Wx-REF): The WHEAP agency is responsible for ensuring the client is WHEAP eligible in the current Federal Fiscal Year (FFY) and must create the referral in the HE+ System.

2.2 Weatherization Agency Response Requirements

Emergency Furnace services: The Weatherization agency shall verify that the building and heating system criteria for HE+ Furnace services are met and assess the heating system condition within 24 hours of the **Emergency Furnace Services Referral** from the WHEAP agency.

The Weatherization agency shall complete services within 72 hours of receiving the referral from the WHEAP agency. Exception: If the household is provided with temporary heat, or there is no threat to the safety of the residents, the response time may be extended beyond 72 hours, but not beyond seven calendar days. It is not necessary to contact the HE+ Help Desk to extend the time period for an exception. In the case of an exception, the Weatherization agency shall document in the HE+ System Furnace Note field the reason for the delay and the fact that there is no safety threat to the household residents.

Non-emergency Furnace services: The Weatherization agency shall verify that criteria for HE+ Furnace services are met and assess the heating system condition within 10 business days of the WHEAP referral. Exception: If the WHEAP referral indicates a potential safety concern related to the heating system, the Emergency Furnace Services 24-hour assessment timeline applies, and the Weatherization agency shall document in the HE+ System Furnace Note field potential safety concern and provide a status update to the

WHEAP agency following the assessment so that they may take appropriate action to ensure the health and safety of the household.

Wx-REF: The Weatherization agency shall document in the HE+ System Furnace Program Note field a status update within seven business days of when the WHEAP agency completed the Wx-REF. Non-emergency and Wx-REF: If the heating system repair or replacement is delayed beyond 30 calendar days from the WHEAP **referral date**, the Weatherization agency shall document the reason for the delay in the HE+ System Furnace Note field. This situation may occur due to a variety of factors related to the cycle for completing heating system work under non-emergency conditions or as part of a weatherization job. (Note: The deadline for completion of the furnace service work and invoicing in the HE+ Furnace System during the month of September is close of business on September 30.)

Chapter 3 Eligibility

3.1 WHEAP Eligibility for HE+ Furnace Program Services

The household shall meet the financial and non-financial eligibility requirements for WHEAP benefits.

Exception: For Emergency Furnace services, if the household is not eligible using the normal income test period, the previous month's income may be used. The WHEAP agency shall clearly communicate that if a household's eligibility for furnace service is based on the previous month's income, the household is **not** eligible for Weatherization services.

3.1.1 HE+ System Eligibility Determination

When entering data in the HE+ System Furnace Application, the system will calculate eligibility based on the prior three months' income. If a household is ineligible based on three months' income, the HE+ System uses the previous month's income to determine the applicant's eligibility.

Current Month income can be entered in order to override income ineligible furnace applications. The WHEAP agency shall clearly communicate that if a household's eligibility for furnace service is based on the current month's income, the household is **not** eligible for Weatherization services.

The local WHEAP agency shall determine WHEAP eligibility and verification of homeownership by completing the HE+ application process, prior to sending an Emergency Furnace referral or a Non-emergency Furnace referral to the Weatherization agency.

Reimbursements of applicant expenses are not allowed for a furnace repaired or replaced by the applicant or a contractor hired by the applicant.

3.1.2 Emergency Furnace Referral with no SSN verification:

If the Applicant has no HE+ Application and Social Security Number (SSN) in the Master Client Index (MCI) and needs to go through the estimated three day Social Security Administration (SSA) approval, and is experiencing loss of heat due to a nonfunctioning furnace or a furnace that presents health and safety concern which needs repair/replacement:

- Applicant provides Social Security Card or another government-issued document containing the SSN for any household members whose SSN is waiting to be verified.
- Worker documents in HE+ System Notes which documents were viewed for each household member.
- Worker explains to applicant that they will be held responsible for repaying the furnace repair/replacement funds in the event the SSN(s) cannot be verified through SSA.
- Applicant shall sign the WHEAP Certification page of the application prior to the worker conducting a referral.
- Worker may submit Furnace Application for referral to the Weatherization agency, even though the HE+ Application is waiting for SSN verifications.

3.1.3 Non-Emergency Furnace or Wx-REF Furnace Referrals with no SSN verification:

- Agencies shall not make the referral until all SSNs on HE+ Application have been verified and the HE+ Application is complete.
- In the case of a health and safety concern, contact the HE+ Help Desk before making referral.

3.2 No-Heat (applies to Emergency and Non-emergency Furnace referrals)

To establish eligibility for an Emergency or Non-emergency referral, a 'no heat' or furnace that is unsafe to operate shall be identified, to the extent possible. A household is considered to be in a no-heat situation when the furnace is not working or is unsafe to operate (e.g., leaking carbon monoxide (CO) into the living space, flames rolling out of the firebox, or similar problems).

A no-heat situation does not exist if:

- The furnace is functioning, but the distribution system is only delivering heat to part of the dwelling; or
- The furnace is not operating at its peak efficiency but is delivering heat to the home.

If a dwelling unit is determined ineligible for furnace services during or after the initial assessment due to a no-heat situation, the Weatherization agency shall cease the provision of services. The Weatherization agency shall invoice as an Assessment only using the SFAS code and shall enter notes in the HE+ System documenting the reason for denial of services.

3.3 Homeownership (applies to all HE+ Furnace Program services)

The applicant, or a member of the household listed on the HE+ Application, shall be the recorded owner of the home (dwelling) or be an eligible renter to receive HE+ Furnace services. This section covers only the requirements for homeownership, not renter eligibility. For information about renter eligibility, see Section 3.4.

The dwelling (building) shall be within the jurisdiction of the serving WHEAP agency—within the reservation boundaries, or within the county borders. Homeownership shall be verified prior to referral for furnace services. Contact the HE+ Help Desk (heat@wisconsin.gov or 608-267-3680) for guidance on homeownership questions.

Verify homeownership by obtaining a copy of one of the following:

1. Property tax bill, deed, or a verification statement from the county assessor's office. The documentation shall show that a household member is the owner. Review documents to verify that the owner's property address (on tax records) matches the dwelling address.
2. Life-estate or life-tenancy documentation that is recorded with the County Register of Deeds may be used to satisfy the required dwelling ownership, provided the individual actually lives in the dwelling. (If the life estate is included in the provisions of a will made by the former owner of the property, the requirement for registration may be waived.) For further guidance contact the Help Desk.
3. Land contract buyers may be considered homeowners if the land contract is registered, and the buyer is responsible for paying the property taxes and building maintenance. (Notarization of the contract does not establish the buyer's claim to the property.)
4. If the ownership is based on a Quit Claim Deed, additional verification of the deed is required. Additional verification may include evidence that the tax records show the 'new' owner as responsible for paying the property taxes, or evidence the giver of the Quit Claim Deed was the owner of the property at the time of the conveyance.

5. If the dwelling is a **mobile home or a manufactured home**, a certificate of title issued by the Department of Safety and Professional Services is the preferred proof of ownership. Titles issued prior to 2001 were issued by the Department of Transportation and are acceptable as proof of ownership. The documentation shall show that a household member is the current owner.
6. Mobile or manufactured homes on private property are not required to be titled according to State of Wisconsin law. If a client resides in a mobile or manufactured home that is on private property and does not have a Certificate of Title, a Bill of Sale, or a copy of the Homeowner's Insurance, the client must provide documentation that identifies the household member's name as the owner of the property on which the address listed on the HE+ Application is located, such as property tax records, deed, or other verification of ownership of the land on which the mobile or manufactured home sits.

If a client resides in a mobile or manufactured home that is not on private property and does not have a Certificate of Title, the WHEAP agency is encouraged to work with the client to obtain a title by mailing the completed application and necessary payment to the Department of Safety and Professional Services. Upon mailing of the Certificate of Title application and payment a WHEAP referral can be made to the Weatherization agency. In the case where a client is unable to provide a title, or acquire a title, the client may provide a Bill of Sale, or a copy of the Homeowner's Insurance where the document provided identifies the household member's name as the dwelling owner and describes the dwelling (e.g. serial number, make and year), or property tax records that name a household member as responsible for the taxes at the address listed on the HE+ Application.

Note: Use the Department of Safety and Professional Services (DSPS) website to search for current ownership if the client has a title but cannot provide a copy of the title.

<http://dsps.wi.gov/Licenses-Permits/Credentialing/Manufactured-Homes>

Titles issued by the Department of Transportation (prior to 2001) are not on the DSPS website. Follow the instructions on the site to conduct a search. If the correct unit is located in the database and the applicant is shown as the owner, highlight the entry and print a copy to put in the file. If the unit is not in this database, call (608) 264-9596 and request assistance from DSPS staff.

If an agency is unable to verify homeownership utilizing one of the above methods, call the HE+ Help Desk prior to making the referral for furnace services.

3.3.1 Tribal Homeownership

Use the table on the next page to determine homeownership for applicants who are members of a tribe. The homeownership documentation used for verification shall be in the furnace file.

| Dwelling Type | Acceptable* Homeownership Verification |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Single Family Home | <ol style="list-style-type: none"> 1. Tribal Land Resolution; 2. Rent-to-Own Contract acknowledging the premises and dwelling improvement upon it; 3. Land Assignment including acknowledgement of the dwelling/structure/improvement; 4. Tribal Land Lease that includes a description of the dwelling located on the property; 5. Tribal Land Lease accompanied by Quit Claim Deed; 6. Tax Record with an applicant household member's name as owner; OR 7. When all other options have been exhausted, the agency may use a Tribal attestation of home ownership (use the Tribal Homeownership Verification Template on Tribal Letterhead; available on the HE+ website). <p>NOTE: A Quit Claim Deed alone is <i>not</i> sufficient.</p> |
| 2-4 Unit Building | <p>Rental Lease</p> <p>NOTE: The owner should be the Bureau of Indian Affairs or the corresponding tribe. If not, call the HE+ Help Desk.</p> |
| Mobile or Manufactured Home | <ol style="list-style-type: none"> 1. Mobile Home Title with an applicant household member's name as owner; OR 2. Mobile Home Title with tribe as owner <u>and</u> Land Lease that includes a description of the Mobile Home on the property; OR 3. A Bill of Sale, or a copy of the Homeowner's Insurance, where the document provided identifies the household member's name as the dwelling owners and describes the dwelling (e.g. serial number, make and year), or property tax records that name a household members as responsible for the taxes at the address listed on the HE+ Application. 4. When all other options have been exhausted, the agency may use a Tribal attestation of home ownership (use the Tribal Homeownership Verification Template on Tribal Letterhead; available on the HE+ website). |

*There may be other forms of verification not listed above. Contact the HE+ Help Desk for assistance in determining tribal homeownership. If HE+ Help Desk approval is granted, HE+ System Notes are required.

Typically, the applicant household will have a copy of the Land Lease (often either a 99-year term or a 25-year term). If the applicant household does not have the lease, the Tribal Housing Authority will be able to help the applicant acquire a copy of the Land Lease. The Lessor will be either the Bureau of Indian Affairs (BIA) or the corresponding tribe. Any items not listed in the table above require approval from the HE+ Help Desk to be used as verification of homeownership.

3.4 Rental Dwellings

Residents of rental units are eligible for furnace services only if:

- a) They reside in a 2-4 unit building, and
- b) The building owner resides in the building containing the inoperable or unsafe heating system (but not necessarily the same unit), and
- c) The building owner residing in the building containing the inoperable or unsafe heating system and the applicant residing in the unit containing the inoperable or unsafe heating system are both WHEAP eligible in the current **program year** with a complete HE+ Application on file. If Furnace service request is for rental, then a current program year Person ID is required for the landlord (building owner).

3.5 Dwelling and Structural Eligibility

- 1) There shall be an existing installed furnace/heating system in the dwelling.
- 2) WHEAP eligible applicants that have a heating system damaged by flood, fire or natural disaster needing repair or replacement can be referred for Furnace Program services if the eligible applicant does not have insurance coverage that will address any needed repair or replacement.
- 3) The heating system shall be in an eligible dwelling and household. Buildings eligible for heating system repair or replacement are:
 - Owner-occupied single family homes;
 - Owner-occupied single family houses where two (2) or fewer bedrooms are rented to roomers;
 - Owner-occupied mobile homes;
 - An owner-occupied 2-4 unit building with one heating system serving one or more units of the dwelling, or with multiple heating systems where the inoperable or unsafe heating system is in a WHEAP eligible household and the owner is WHEAP eligible. Note: see rental eligibility requirements, Section 3.4.
- 4) Structures not eligible for heating system repair or replacement include:
 - Buildings that contain a residential and a commercial unit where both the residential and commercial units share a furnace;

- New construction, units in major remodeling projects, or where a heating system does not exist;
- Recreational vehicles and other ineligible dwelling units, even when modified with permanent additions;
- Dwellings created by making vehicles, or parts of vehicles, immobile by putting them on blocks or otherwise attaching them to a site;
- Heating system shall be associated with the eligible unit identified by the Agency; and
- Residential buildings that consist of five or more units (unless the applicant owns the unit where the heating system is located, such as a condo).

Chapter 4 Operational Procedures

4.1 General Responsibilities

- 1) A Contact Information Form shall be completed between the local WHEAP agency and the local Weatherization agency detailing contact information and responsibility between the two agencies (or programs within one agency) in regard to the HE+ Furnace Program. The Contact Information Form shall follow the template format provided by the Division of Energy Services and be completed electronically and submitted to the Division via the Help Desk by October 1st each year. The Contact Information Form template is located on the HE+ website under the Grantee Information tab, Home Energy Plus Program Information, Furnace Program Documents.

- 2) For Emergency and Non-emergency Furnace assistance:

The local WHEAP agency is responsible for determining if a household is eligible (both WHEAP eligible and a homeowner or eligible renter). If a no-heat situation exists and eligibility is not yet verified, the local WHEAP agency may need to address the no-heat situation in another way and complete eligibility determination for the household before making the referral to the Weatherization agency.

WHEAP agencies shall not make the referral to the Weatherization agency until eligibility for Emergency and Non-emergency Furnace assistance has been determined and the home ownership verification document has been verified. See section 3.1.2, and 3.1.3 for instruction if waiting for SSN verification from MCI.

- 3) The Weatherization agency is responsible for verifying homeownership for a Weatherization Referral (Wx-REF).
- 4) The Weatherization agency is responsible for assessment of the furnace, coordinating the installation of repairs and/or replacements, any remediation steps with the contractor, obtaining any required authorizations to exceed program limits from the HE+ Help Desk (heat@wisconsin.gov or 608-267-3680), conducting a final inspection of all replacements, and completion of the final invoice in the HE+ System.
- 5) For referrals that meet the eligibility criteria there shall be an assessment of the furnace, even if it does not result in a repair or replacement (for example, when the furnace is working safely). If the Contractor observes the dwelling unit is ineligible for emergency furnace services, the Contractor shall cease the provision of services and immediately contact the Weatherization Agency or authorized agent for additional instruction. If it is determined to be ineligible based on information gained during the on-site visit, the Weatherization Agency can deny any further service and can pay for any trip charge using the furnace assessment only code (SFAS).
- 6) The Weatherization agency shall complete the final inspection of each furnace replacement within two weeks of the installation.

- 7) The Weatherization agency shall enter in the HE+ System Note field an explanation of what was wrong with the furnace, the age of the furnace, and what was repaired or why it was replaced.
- 8) The Weatherization agency shall complete in the HE+ System the final job invoice for each furnace repair or assessment no later than 30 calendar days from the repair service referral and no later than 45 calendar days from each furnace replacement unless the program year-end deadline applies (see Section 2.2).

Exception: When there is no conflict with the year-end FFY program deadline for invoicing, Weatherization Referral or Non-emergency Referral heating system replacements may exceed the 45 calendar day time period.

The invoice shall include the following items:

- Weatherization agency letterhead, or standard Weatherization agency invoice format
- Invoice Date
- Service Date: Date(s) furnace service was performed (actual date of installation or date repair was completed)
- Fuel Type if fuel switch
- System Type
- Heating system Manufacturer: required for repair and replacement
- Heating System Model Number: required for replacement and optional for repair
- Total cost of assessment only, replacement or repair (only one total cost is required). This cost would include any assessment, trip charge, or collateral work such as asbestos or electrical.
- Job Cost Reduction (less any incentives or rebates on equipment from other sources).

Costs shall be based on actual and allowable expenses.

No partial billing of furnace services is allowed. The invoice submitted in the HE+ System shall contain all appropriate charges. Items not included on the invoice when submitted will be handled through the Furnace Monthly Invoice for Program Support and Administration, retain documentation for file.

- 9) Attachment 4 – Technical Specifications for Weatherization and Home Energy Plus (HE+) Furnace Programs³ describes the Technical requirements.
- 10) The Weatherization agency shall ensure priority services and availability of heating systems that meet the required standards. The Weatherization agency shall determine for each job whether a repair or replacement is appropriate and update the information in the HE+ System Furnace application for the client, when necessary.
- 11) The Weatherization agency shall perform the furnace services or may subcontract the work to subcontractor(s) selected by competitive bids. Weatherization agencies may use their staff to do repairs and replacements after the Division has approved the costing procedure.
- 12) If a Non-emergency or Weatherization Referral occurs in late August or September and the furnace service and invoice will not be completed prior to close of business September 30, the furnace service must halt in order for the WHEAP agency to promptly assist the applicant in completing an early application for the subsequent FFY. Once the applicant's eligibility is determined for the upcoming FFY, the furnace application may be attached to the early application and the Weatherization agency may resume furnace service work.

³ "Attachment 4 – Technical Specifications for Weatherization and Home Energy Plus (HE+) Furnace Programs" is located on the Home Energy Plus website under Grantee Information | Procurement Information | heading "RFB – HE+ Furnace Program."

Chapter 5 Technical Specifications and Requirements

5.1 General

The intent of the HE+ Furnace Program is to make decisions related to repairing or replacing a heating system based on an assessment of the problem, condition, and age of the heating system. The guidelines in this chapter are designed to be used as parameters that are applied in the context of a determination of a heating system's remaining useful life. The guidelines mirror the Weatherization Program direction for decision-making (however, in the case of a weatherization job, the results of electronic modeling would determine the next step).

Weatherization agencies are expected to apply their experience and technical knowledge to the decision to repair or replace, as the agency is ultimately responsible for these decisions. If this decision is delegated to a subcontractor or other entity, the agency shall ensure compliance with requirements and guidelines through quality control.

The heating system shall be repaired or replaced based on the guidance in this Manual and Attachment 4 – Technical Specifications for Weatherization and HE+ Furnace Program.

5.2 Service Guidelines and Limits

5.2.1 Repair or Replacement

The heating system should be repaired when it is a reasonable and appropriate solution to the situation. The Weatherization agency is responsible for determining the most reasonable course of action and making a recommendation to the Division if a waiver is necessary. The following requirements apply:

- 1) Only one heating system may be repaired or replaced in a dwelling, except when the heating systems are space/room heaters. See requirements for space heater replacement in Section 5.2.3.5.
- 2) If heating system repair costs are expected to exceed the repair limit and the estimated useful life is less than five years, the system shall be replaced in most cases. Contact the HE+ Help Desk when questions arise about replacement versus repair prior to the work being performed (heat@wisconsin.gov or 608-267-3680).
- 3) Existing heating systems that have a standing pilot ignition and have exceeded their useful life shall be replaced.
- 4) Electric heating system repairs shall not exceed the System Type repair limit unless there is an approved waiver. If repairs of an electric heating system are expected to exceed the repair limit, the electric heating system shall be replaced with a non-electric heating system. If it is not feasible to replace with a non-electric heating system, contact the Help Desk requesting a waiver.
- 5) Total replacement costs, including any needed collateral activities, may not exceed the System Type replacement limit unless approved by the HE+ Help Desk before the work is started.

6) The following information shall be provided when submitting a waiver request to the Help Desk:

- a. Applicant Name
- b. Person ID or Application number
- c. Age of existing heating system
- d. Reason for repair or replacement
- e. Estimated costs of repair, replacement and collateral activities
- f. Other points relevant to the situation

7) Repair and Replacement Cost Limits

| System Type | Repair Max | Replacement Max |
|------------------|------------|-----------------|
| Forced Air | \$750 | \$5000 |
| Hot Water Boiler | 1000 | 8500 |
| Steam Boiler | 1000 | 8500 |
| Room Heater | 750 | 5000 |
| Wall Furnace | 750 | 5000 |
| Other | 1000 | 5000 |

5.2.1.1 Technical Specifications Related to Decisions

The Weatherization agency shall follow the same heating system technical specifications and decision-making protocols outlined for heating systems addressed under the Wisconsin Weatherization Assistance Program (WAP), except for differences identified for WHEAP agency referrals (Emergency Furnace and Non-Emergency Furnace). Documentation shall be retained by the Weatherization agency to demonstrate compliance with technical and decision-making requirements. A quality control plan for contracted work is required (See Chapter 6 of the Wx Program Manual). When a Weatherization agency chooses to delegate decision making regarding the decision to replace or repair, the Quality Control plan shall address this activity.

The following activities shall be performed by the Weatherization agency to address questions pertaining to weatherizing a dwelling referred by the WHEAP agency for Emergency or Non-emergency Furnace service:

- 1) The Weatherization agency shall identify whether the referral is for a dwelling that was previously weatherized.
- 2) Emergency Furnace - When assessments are performed by a contractor and a replacement is required, develop a protocol to ensure that the potential for full weatherization is considered and the replacement is sized accordingly.
- 3) Non-emergency Furnace - If the dwelling was not previously weatherized, ensure that the potential for full weatherization is considered and the replacement sized accordingly.

Technical specifications are available in Attachment 4 – Technical Specifications for Weatherization and Home Energy Plus (HE+) Furnace Programs and are included as Appendix C of the HE+ Furnace Program Manual.

5.2.2 Repairs

- 1) The household shall be experiencing a no-heat situation because the heating system is inoperable or unsafe.
- 2) Heating system repairs are allowed only for the system using the primary fuel type reported on the current year HE+ Application.
- 3) A 'clean and tune' may be incorporated into a repair job only as needed. This work needs to be identified on the contractor invoice and shall fit within the cost limits specified for repairs based on system type.
- 4) If there is additional repair work that will cause the total repair costs (for the initial repair and a second referral) to exceed the cost limits, consider replacement as identified in Section 5.2.3.
- 5) Repair activities may include, but are not limited to the following: removal of snow or ice from pipes, tripped circuit breaker/fuse replacement, turning power on to heating unit, battery replacement in thermostats, inducer motor, blower motor, pumps, valves, pressure switch, etc.

5.2.3 Replacements

5.2.3.1 General

When replacing a heating unit the following requirements shall apply:

- 1) The household shall be experiencing a no-heat situation because the heating system is inoperable or unsafe. In order to replace a heating system, there shall be an existing installed heating system that is inoperable or unsafe.
- 2) The applicant/household member shall agree to the terms of the HE+ Furnace Program Client Agreement Form, or acknowledge that they deny services, by signing and dating the HE+ Furnace Program Client Agreement provided (available on the HE+ website) and shown as an example in Appendix D.

- 3) The old (previously existing and installed) heating system that is being replaced shall be removed from the property and disposed of properly. There may be situations where it is acceptable to leave the heating system in place and the Weatherization Agency shall contact the Help Desk to request a waiver. This home may then have dual fuel options. Typically these system types will be electric or wood fired and may be a secondary or supplemental heat source.
- 4) Replacement shall be a reasonable and appropriate solution to the situation.
 - a. If a repair was made to the furnace during the heating season, subsequent service call cost repair estimates shall be combined with the previous repair amount. If the resulting second repair would cause a furnace to exceed the maximum for repair, then the furnace should be replaced. Exceptions shall be approved by the Division.
- 5) Heating system replacements are allowed only for those heating systems using the primary fuel type reported on the current year HE+ Application. (See Section 5.2.3.2.) Only one heating system may be replaced in a dwelling, except when the heating systems are space/room heaters.
- 6) The replacement heating system shall meet or exceed the efficiency guidelines (except wood stoves/furnaces) as outlined in the Furnace Replacements Specifications (see Appendix C: Attachment 4 – Technical Specifications for Weatherization and Home Energy Plus (HE+) Furnace Programs, Table 1) — unless prior approval is obtained from the Division.
- 7) Once a replacement job is completed and passes inspection, any additional work on the heating system shall be covered as part of the one-year warranty. If the inspection results in a callback, the warranty does not start until the date the issue has been resolved.
- 8) The total cost including any necessary collateral activities, shall not exceed the replacement limit specified for the system type unless approved in advance by the HE+ Help Desk (heat@wisconsin.gov or 608-267-3680). Request a waiver by contacting the HE+ Help Desk. **Exception: When a timely response from the HE+ Help Desk is not available, retain documentation justifying decision to exceed and inform the HE+ Help Desk on the first business day following the weekend or holiday.**

5.2.3.2 Fuel Switches

Switching of fuel types is not allowed unless:

- The applicant is elderly or disabled and cannot carry fuel to the heating unit (e.g., wood, and coal) The original furnace shall be non-working or unsafe;
- Chimney repair costs would result in higher total project cost than the installation of a propane (LP) or natural gas sealed combustion heating system;
- Natural gas infrastructure is located within sixty (60) feet of the dwelling unit and the homeowner is willing to incur any additional cost of piping the gas to their home, or natural gas or propane (LP) is presently being used for other purposes within the home (e.g., cooking, water heaters), or it is feasible to install a propane (LP) tank and lines. If the customer is unable to pay the additional cost for a lateral installation contact the HE+ Help Desk for additional guidance; *OR*
- The existing system is electric and needs to be replaced with a non-electric unit.

5.2.3.3 Installation

To replace a heating system (not electric) all of the following requirements shall be met:

- 1) For all heating system replacements, the Weatherization agency shall satisfy the Furnace Replacement Technical Specifications (see Appendix C: Attachment 4 – Technical Specifications for Weatherization and Home Energy Plus (HE+) Furnace Programs) and shall ensure that installation procedures and heating systems meet appropriate codes, ordinances, and standards.
- 2) Installed heating systems shall meet or exceed the requirements and the efficiency guidelines (except wood stoves/furnaces) as identified in Appendix C: Attachment 4 – Technical Specifications for Weatherization and Home Energy Plus (HE+) Furnace Programs. Exceptions:
 - a. In situations where a heating system meeting the efficiency guidelines is not safe for the size of the space/dwelling, or in other extraordinary circumstances, the Weatherization agency may request a waiver by contacting the HE+ Help Desk (heat@wisconsin.gov or 608-267-3680). Provide the information identified in 5.2.1 - 5)
- 3) The Weatherization agency, or its subcontractor, shall provide one-year parts and labor warranties that commence on the date of satisfactory completion of work and are in addition to any standard manufacturer's warranties. The Weatherization agency is responsible for contacting the subcontractor for warranty work if problems occur.
- 4) The Weatherization agency, or its subcontractor, shall provide the completed Residential Furnace Installation Check List located on the Home Energy Plus website. Retain a copy of the checklist in the Weatherization agency's furnace file.
- 5) Obtain lien waivers as required in Chapter 6 of the Weatherization Program Manual for subcontracted services. Retain a copy of the lien waiver(s) in the Weatherization agency furnace file.
- 6) The local Weatherization agency, or its inspection subcontractor, shall conduct a final inspection on all furnace replacements.
 - a) The Weatherization agency should make at least three attempts over a two-week period to arrange for the inspection.
 - b) If the applicant household does not respond or is uncooperative, send a letter to the household indicating the need to set up an inspection of the furnace. The letter should explain that the inspection is primarily to benefit the household by providing additional assurance that the work met specifications and professional standards. The letter should make it clear that the household is responsible for scheduling the final inspection.
 - c) Once the letter is sent to the household, the Weatherization operator should proceed to prepare and submit the invoice in the HE+ System for payment.
 - d) If the final inspection cannot be performed, the Weatherization agency shall retain documentation in the file and enter notes in the HE+ System to this regard.

5.2.3.4 Collateral Activities

Collateral work associated with a heating system replacement shall be approved by the Weatherization agency.

Collateral work associated with a heating system replacement shall be included in the cost of the total job. Collateral activities include:

- 1) Building permits. NOTE: The building permit is not the responsibility of the applicant household or building owner. The Weatherization agency shall ensure that applicable permits are obtained and include the cost as a collateral cost.
- 2) Duct work necessary to achieve the required airflow for the furnace.
- 3) Electrical work necessary to run a dedicated line from the service panel to the furnace/boiler.
- 4) Pipe work and valves necessary to get the hot water/steam from the boiler into the distribution system.
- 5) Chimney repairs when part of a furnace repair/replacement. This may include chimney liners. The repairs shall be necessary to meet health and safety standards or code.
- 6) If asbestos abatement is necessary when replacing a heating unit, the Weatherization agency shall ensure the asbestos is addressed and the abatement performed by trained and certified (if required) individuals.
- 7) Other activities as approved by the HE+ Help Desk (e.g., Work related to non-functioning central AC units). Contact the HE+ Help Desk at heat@wisconsin.gov or 608-267-3680.

5.2.3.5 Space Heater Replacement

When there are two existing space heaters that each have less than five years useful life remaining, consider replacing those units with a forced-air heating system. This installation requires prior approval. To obtain prior approval, the Weatherization agency shall submit a request to the HE+ Help Desk. The following information shall be included in the request:

- The estimated or actual steady-state efficiency of the existing space heaters.
- The cost of replacing both space heaters.
- The AFUE rating (per AHRI) of the replacement space heaters.
- The total cost of installing a forced-air heating system.
- The AFUE rating (per AHRI) of the replacement forced-air heating system.

Chapter 6 File Documentation

Refer to HE+ Program policies to determine the document retention and applicant confidentiality requirements for the HE+ Furnace Files. Agencies shall maintain a record management system that retains documents for a period of five years from the date the Furnace Program application is submitted. Agencies may retain records in an electronic format to reduce storage space needs.

6.1 WHEAP Agency Furnace File Documentation

File requirements will vary by the type of referral made to perform the service work.

6.1.1 Emergency or Non-emergency Furnace Referral

Emergency and non-emergency furnace referrals have the same WHEAP agency file requirements:

- 1) Proof of program eligibility — the Home Energy Plus Application (DOA-9549) or if an interactive interview was the intake method, the Certification Form, signed and entered prior to the furnace referral date; for an automated application, include the print view copy of the WHEAP application with the outreach indicator highlighted.
- 2) Proof of homeownership, dated prior to the furnace referral date. (See Section 3.3).

6.1.2 Weatherization Furnace Referral (Wx-REF)

Include the following in each WHEAP agency furnace file for a Wx-REF:

- 1) Proof of program eligibility — the Home Energy Plus Application (DOA-9549) or the signed HE+ System Certification Form, if the application was taken via interactive interview; for an automated application, include the print view copy of the WHEAP application with the outreach indicator highlighted.
- 2) Weatherization referral (email printout, faxed document).

6.2 Weatherization Agency Furnace File Documentation

File requirements will vary according to the type of referral made to perform the service work.

6.2.1 WHEAP Emergency or Non-emergency Furnace Referral

Include the following in each file when applicable:

- 1) Copy of the contractor's itemized invoice(s);
- 2) Copy of the lien waiver(s);
- 3) Photographs documenting furnace conditions, manufacturer's name plate, and any other necessary documents indicating the problem or condition of the furnace existing prior to the provision of services;
- 4) For replacements: Copy of the appropriate heating system checklist completed by the contractor and the final inspection conducted by the Weatherization agency;
- 5) Inspection report(s) for all heating system replacements;
- 6) If no service is provided, a report of the reason for denial of services;

- 7) For replacements: A Furnace Program Client Agreement form signed and dated by an adult (18 or older) applicant household member and the sub-contractor, or the subcontractor's authorized representative. A sample document is provided in Appendix D and is located on the HE+ website. The form is available in English, Spanish and Hmong;
- 8) For replacements: A copy of the sizing calculations; and
- 9) Notes specific to the installation or documentation of approvals or waivers.

6.2.2 Weatherization Furnace Referral (Wx-REF)

In addition to the items listed in Section 6.2.1, include:

- 1) Proof of homeownership (see Section 3.3); and
- 2) Evidence that the heating system service is appropriate, and cannot be included in the weatherization of the home.

6.3 Quality Assurance

Local WHEAP agencies shall develop and implement a quality assurance plan for furnace repair/replacement activities.

The WHEAP agency shall maintain a file with a copy of the plan and the results of the internal review. The written plan shall include procedures for furnace file quality assurance review including, but not limited to:

- 1) Who is responsible for file review,
- 2) How files are selected for review,
- 3) How often reviews occur during the program year,
- 4) How the files are logged as "reviewed,"
- 5) The DES Furnace Quality Assurance tool used for the file review.

A review of a minimum of five repair files, or 10% of the total repair files (whichever is greater), and five replacement files, or 10% of the total replacement files (whichever is greater), shall be performed biannually using the DES Furnace Quality Assurance tool.

The local WHEAP agency worker who accepted the furnace application under review shall not conduct quality reviews of the furnace application file. The review results, including the Quality Assurance (QA) tool, shall be stored in the paper file and/or in a QA log (hard copy or electronic) of files reviewed. The QA log shall identify the furnace file components reviewed, the results, and the follow-up activities performed to bring the file into compliance with the WHEAP Policy requirements (if any). Upon request by an employee of the Division of Energy Services (DES) or a DES-authorized representative, the WHEAP agency shall produce all of the following: the furnace file, the completed QA review tool, and the completed furnace QA log.

The Division, or its delegate, will perform on-site quality assurance inspections (at the applicant's residence) of a sample of completed furnace replacements. Results will be provided to each applicable Weatherization agency.



Customer Satisfaction Surveys will be conducted via telephone, in-person, or mail survey by the Division or its delegate. Annual results will be provided to each applicable WHEAP and Weatherization agency.

Chapter 7 HE+ System Data Entry

7.1 General

Funds for furnace services are available on a first-come, first-served basis and there is a possibility that the funds will be depleted. The referral is to be performed by the WHEAP grantee and sent to Weatherization via the New Furnace Referrals inbox. The furnace job will be performed by the Weatherization grantee and will enter furnace details, job costs, and mark ready for invoice when the job is completed.

7.2 How to Process a Furnace Service Request

A Furnace application is a child application to a parent “regular” application. The parent application must be in submitted and paid status before the furnace can be added. The user will be prompted to adopt information from the parent application. Furnace request date and service date must be subsequent to the parent application’s “application date.”

7.3 Reserving Furnace Funds and Completing a Referral

WHEAP agencies shall follow the procedures below to generate a referral for heating system repair or replacement services. Furnace repair or replacement expenses are paid directly to the Weatherization agency coordinating the service. The completed Referral action will Reserve funds based on the selected Heating System Type for the applicants Furnace Job and shall be completed within 48 hours during the heating season. If the situation is potentially life-threatening the WHEAP agency shall complete the referral (and reservation of funds) within 18 hours.

WHEAP Agency:

Log into the System, from the ‘Person Summary’ screen, click on the appropriate application number to bring up the current application screen. Click ‘Add New Furnace’ in the Actions toolbar to enter a furnace application. The Workers Number, County/Tribe, Client’s name, the residence address, phone number(s), email, Guardian’s name, address, ownership status, and system type will be carried over from the parent application. Verify the information for accuracy. If the application has extracted, and the ownership was incorrectly indicated as ‘Rent,’ change the ownership indicator on the furnace application and do a Master Record update to correct the ownership on future applications. Enter a HE+ System Furnace Note explaining the reason for the change.

From the Furnace Application Page:

WHEAP Agency:

- 1) Confirm the residence address. If the applicant has moved, update the residence address, indicate the change in a HE+ System Furnace Note. The system will automatically retain all of the changes for an address and Casehead in the Master Record after the extraction of the furnace application.

NOTE: If an applicant moves, consider taking a new HE+ application to determine the new residence's weatherization eligibility and to create a new referral for weatherization at the new residence.

- 2) Enter the 'Request Date' in a "mm/dd/ccyy" format, or use the Calendar icon to select the date. Enter the 'Request Date' as the date the WHEAP agency received the furnace related call.
- 3) Confirm the ownership status of the residence, 'Own' or 'Rent.' If the ownership status is set to "Rent" enter the Landlord's current year PAID application. The address will display below the Application number. Visually inspect the address to ensure the units are a part of the same building.
- 4) Select the 'Referral Type' from the drop down menu; either "WHEAP" or "Wx."
- 5) Select the 'System Type' from the drop down menu options, (see Appendix A for definitions)
 - a. Warm Air Furnace
 - b. Hot Water Boiler
 - c. Steam Boiler
 - d. Wall Furnace
 - e. Room Heater
 - f. Other
- 6) The HE+ System will default to the maximum limit for a replacement based on System Type.
- 7) Enter relevant Notes: Include a description of the applicant's reported problem, estimated age of the heating system, and type of proof used to verify homeownership.
- 8) Enter the Weatherization agency as the vendor using the 'Vendor Lookup' function.
 - a. Your grantee should default. Should you have more than one grantee select the correct one.
- 9) Check 'Ready for Referral'
- 10) Save in Action ribbon
 - a. If you do not type in notes the system will warn you and give you an opportunity to enter notes prior to sending the information to Weatherization Agency.
 - b. If you do not check ready for referral an email will not be sent. However, the system will warn you that you have not checked ready for referral.
 - c. A referral email will be automatically generated to the Weatherization Agency Furnace Contact(s). It is advisable to continue your current protocol (phone, fax, email) until all parties are clear on communication channels and HE+ System inbox has been verified that the email is going to the correct person(s).
 - d. Once the furnace application is saved with the Ready for Referral checked the furnace will not be able to be deleted by the WHEAP agency. Only Weatherization Agencies will be able to delete the application.

Weatherization Agency to Update and Cost out Furnace Job:

- 11) Log into HE+ System. From the Dashboard go to New Furnace Referral inbox and select client or via the Person search screen find the referral by name/address/person ID.
The Weatherization agency shall update the referral after the assessment and estimate has been received. Click on 'Update Furnace Application' in the Actions toolbar, make the changes,
- 12) Verify address, update if necessary, and validate and save.
- 13) If the furnace is denied by the agency your service type options will be FCDA (Furnace Denied by Agency) or SFAS (Furnace Assessment).
 - a. If you select SFAS then you will be able to charge for a trip charge. The application status will still be denied by you will be paid for the trip charge.
 - b. If you select FCDA you will not be able to fill in an amount to be paid.
- 14) Update reserve amount based on assessment estimate. Doing so will free up additional funds for the rest of the state to use. This is particularly important towards the end of the year when funds may be low.
- 15) Enter the 'Service Date' as the date the furnace issue was resolved (typically when the furnace was repaired/replaced, but may also be when the assessment determined that no work was necessary). The 'Service Date' shall be entered when processing an invoice for payment.
- 16) Enter the heating 'ServiceType' — Select repair and a replacement, if denying select Denied by Agency or Assessment Only.
- 17) Update Reserve Amount \$ from final invoice.
- 18) Update Furnace Status. (In Progress, Work Complete, etc.),
- 19) Verify Furnace Type, change if necessary.
- 20) Enter the 'Manufacturer' for all furnace replacements/repairs.
- 21) Enter the 'Model Number' for all furnace replacements/repairs.
- 22) Verify the 'Fuel Type.' If the household will receive, or did receive, a fuel switch, enter the new fuel type, indicate the change (and rationale for the change) in a HE+ System Furnace Note.
- 23) HE+ System Furnace Notes shall be entered into the HE+ System. Include a description of the nature of the repair/replacement to be performed, the age of the furnace, type of proof used to verify homeownership (Wx-REF only), and an explanation of any deviations from normal procedure. There should be two separate Note entries, one by the WHEAP agency when the referral is made and one by the Weatherization Agency. Select Add Note from tool bar.
- 24) To finish, check 'Ready for Invoice' and click 'Save Furnace Application' in the Actions toolbar. Upon benefit extraction this will generate payment to the Weatherization Agency.
- 25) Once a furnace has been repaired, additional repair work or a replacement shall be a separate furnace activity, and shall not be added to the initial furnace service request.
- 26) Note that both reserved "Type" (repair or replacement) and "Amount" shall be updated when the Weatherization agency receives the estimate based on the assessment and verify the amount again when the final invoice is entered.

7.4 Furnace Repair Payment

Payment for a furnace repair shall not be made until the Weatherization agency has an invoice with the costs itemized as the total cost of the repair and/or assessment (one total cost). Weatherization operator administration cost and Program Support shall be invoiced using the Monthly Furnace Invoice.

When the invoice has been received and the Weatherization agency has provided all of the required information and documentation, bring up the HE+ System Furnace Application. Complete the Furnace Application with the information in the Weatherization agency invoice, ensuring complete accuracy. Enter the line items of the repair cost as listed above in 7.3. Click 'Save' in the Actions toolbar. Complete the following required documentation in HE+ System Furnace Notes:

- 1) Include in Notes any extenuating circumstances related to the furnace service and how they were addressed (e.g. delayed delivery of furnace parts, and ensure with WHEAP agency that the applicant household has temporary heat or relocated with family/friends, etc.).

To release the furnace repair payment, check the 'Ready for Invoice' checkbox and click 'Save' in the Furnace Application. The Furnace Application status should be 'Paid – Unextracted.' If a Furnace Service Cost Override is needed the furnace application will be placed in ON HOLD status from extraction, contact the HE+ Help Desk. (Initial waiver approval obtained by the Weatherization agency should already be indicated in HE+ System Furnace Notes.) After DES performs the cost override function, furnace funds will be in reserved status.

7.5 Furnace Replacement Payment

Payment for a furnace replacement shall not be made until the Weatherization agency has received an invoice (do not use a proposal or bid) with the costs itemized as the total cost of the replacement. Weatherization operator administration and Program Support (final inspection) cost from the Weatherization agency shall be invoiced using the Monthly Furnace Invoice by the 15th of each month. (See Section 4.1. for invoice requirements.)

When collateral items cannot be completed at the same time as the replacement, due to outdoor temperatures for example, the contractor shall invoice the Weatherization agency for the amount needed to complete the work. The Weatherization agency shall not pay out that portion of the invoice to the subcontractor until the installation is completed. Work that may fall into this category includes, but is not limited to, charging refrigerant and converting LP gas valves/orifices to NG, due to a fuel switch.

To release the furnace replacement payment, check 'Ready for Invoice' click 'Save' in the Furnace application. Click 'OK' to change the Furnace Application status to 'Paid – Unextracted.' If a Furnace Service Cost Override is needed the furnace application will be placed in ON HOLD status from extraction, contact the HE+ Help Desk. (Initial waiver approval obtained by the Weatherization agency should already be indicated in HE+ System Furnace Notes.) After DES performs the cost override function, furnace funds will be in reserved status.

Enter the age of the furnace, what was wrong, the resolution, and, if applicable, the reason for the additional charges in HE+ System Furnace Notes. Additional information that is pertinent should also be added to HE+ System Furnace Notes.

7.6 Furnace Assessment Payment

If the assessment does not result in a repair or replacement, the labor or trip charge will be categorized as an “assessment only” and should be invoiced in the client’s Furnace application. Any Administration or Program Support charge related to the Assessment only shall be invoiced in the Monthly (not per furnace) Furnace invoice. Payment for a “Furnace Assessment Only” shall not be made until the Weatherization agency has received, from the trade contractor or Weatherization agency, the invoice for assessment or trip charge and information explaining the reason for denial of services or eligibility.






When the invoice has been received and the Weatherization agency has provided the appropriate details, complete a HE+ System Furnace Application with the updated information. Click ‘Save’ in the Actions toolbar.

Under ‘Service Type’ click on pull down arrow and choose ‘SFAS’ for an assessment only. The Furnace Application will immediately pay; the “SFAS: Furnace Assessment Only” code does not go into reserve status.

For additional information on processing furnace jobs review the following training modules found on the HE+ T&TA website via ‘Training’ → ‘WHEAP’ → ‘Training Modules’

Training Modules

To view program policy related to training modules please visit www.homeenergyplus.wi.gov.

| Icon | Attachment | Size |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-----------|
|  | Contract Setup Reference Guide - September 2014 | 199.98 KB |
|  | Coordinator HE Plus System - Contract Setup (12 min) - September 2014 | 28.72 MB |
|  | Fiscal Coordinator HE Plus System - Claim Invoice Creation (6 min) - September 2014 | 21.3 MB |
|  | HE Plus System - Wx Furnace Job Costing (8 min) - September 2014 | 21 MB |
|  | HE Plus System - Wx Furnace Job Invoicing (5 min) - September 2014 | 12.14 MB |

Appendix A: Definitions

Assessment

An assessment only results when no heating system work is completed at the home because of ineligible dwelling or there isn't a no-heat or health and safety situation. Contractor should invoice as Assessment only using code SFAS.

Emergency Referral

Heating system referral made by a WHEAP agency to a Weatherization agency during the heating season (October 1 through May 15) due to an inoperable heating system, or a heating system that poses a safety risk to an applicant household.

Heating Season

Time period during the program year from October 1 through May 15 that indicates when regular benefits are issued and when applicants are most likely to utilize home heating systems.

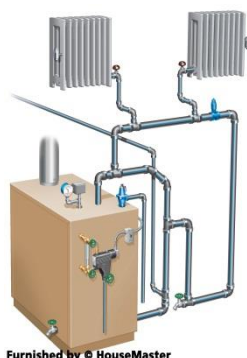
Heating System Type



Warm Air (Furnace): A heating system using a blower to circulate warm air through ductwork and registers to each room. A furnace can heat with natural gas, propane (LP), oil, electricity, wood, or coal. Mobile homes commonly have warm air furnaces. Furnaces can also provide central air conditioning with an A-coil inside the ductwork and a compressor outside.



Hot Water Boiler: A heating system using a circulating pump to distribute hot water to each room through baseboard heaters, radiators or in-floor radiant tubing in a cement or wood floor. Common fuels are natural gas, propane, and oil.



Furnished by © HouseMaster

Steam Boiler: A heating system that looks similar to a hot water boiler, but uses steam distributed to each room through baseboard heaters or radiators. Steam creates its own pressure to move through the radiators without the use of a pump. As the steam passes through a radiator, it cools and condenses back to water. Gravity returns the water to the boiler to repeat the cycle. Common fuels are natural gas, propane, and oil.



Wall Furnace: A heating system providing warm air without the use of ducting or pipes for distributing the heat. A wall furnace may or may not have a fan to blow the warm air to a larger area. Wall furnaces mount to a wall, and the vent (chimney) comes off the top or out the back to the outdoors. These units may heat a portion or all of a home or be used as a backup heat source. Common fuels are natural gas and propane.



Room Heater: A heating system without ducting used to heat a room or small home. A fan may or may not be present for distributing the warm air to a larger area. Common fuels are natural gas, propane, oil, or electricity. Gas and oil space heaters must be located where the exhaust can be vented through an outside wall or through the roof.

Other types of heating systems:

Heating systems not defined above should be classified as “other.” This may include:

- Geothermal ground source heat pump
- Air source heat pump
- Water source heat pump
- Electric baseboard/radiant wall/ceiling panels
- Wood stove
- Fireplace insert
- Wood pellet stove
- Wood boiler (indoor or outdoor)
- Commercial grade rooftop unit

Ineligible Dwelling (or ineligible building, or ineligible structure)

Ineligible dwelling units include mobile shelters, and structures or other shelters not designed for use for year-round human habitation. Mobile shelters include, but are not limited to, recreational vehicles (RVs), tents, campers, and vehicles. Group homes, halfway houses, government facilities (jails, hospitals, and other governmental care facilities), assisted living facilities, transitional housing facilities, abandoned spaces or buildings, and secondary homes are also ineligible dwelling units for WHEAP.

| Furnace Dwelling Eligibility Table | |
|--------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| Eligible Dwellings for Furnace | Ineligible Dwellings for Furnace |
| Single Family Home (or owner-occupied condo) | Secondary home (e.g. vacation home, seasonal home) |
| Multi-Unit Building with 2-4 units ⁴ (e.g. Duplex, Townhouse) | Vehicle (e.g. RV, camper, car) |
| Mobile or Manufactured Home | Multi-unit building with 5 or more units |
| | Assisted living facility or nursing home |
| | Group home, halfway house, Community-Based Residential Facility (CBRF), or foster home |
| | Government or Institutional facility (e.g. jail, hospital, care institution) |
| | Rooming house, motel, hotel, YMCA, or YWCA |
| | Adult Family Home (as licensed by the Wisconsin Department of Health Services) |
| | Deer Stand or Tent |
| | Abandoned building or space |

Mobile or Manufactured Home

These homes are often called a *trailer* or *house trailer*. Mobile and manufactured homes are built on a permanently attached chassis. These homes are regulated by the U.S. Department of Housing and Urban Development (HUD), and are often referred to as a HUD code home. Mobile homes are often located in mobile home parks, but may also be located on private property.

⁴ Rentals require specific eligibility as defined in Section 3.4.

Non-emergency Referral

Heating system referral made by a WHEAP agency to a Weatherization agency during the non-heating season (May 16-September 30) due to an inoperable heating system, or a heating system that poses a safety risk to an applicant household.

Program Year

Home Energy Plus Program fiscal years:

- a) WHEAP: Program year begins October 1 and ends September 30; and
- b) Weatherization: Program year begins July 1 and ends June 30.

Referral

Once an applicant is determined eligible for Home Energy Plus Program benefits and services, and the appropriate home ownership is determined for the Home Energy Plus Furnace Program, a WHEAP agency or Weatherization agency will refer the applicant to the appropriate agency (WHEAP or Weatherization) to move forward with providing furnace service to the applicant.

Referral Date

The Referral Date for the Home Energy Plus Furnace Program is:

- a) the date the WHEAP agency requests the Weatherization agency proceed with providing service to an eligible applicant for either an Emergency Furnace referral or a Non-Emergency Furnace Referral, or
- b) the date the Weatherization agency requests the WHEAP agency proceed with determining eligibility of an applicant for a Wx-REF.

Request Date

The Request Date for the Home Energy Plus Furnace Program is the date the WHEAP agency receives the request from the eligible applicant that they have a non-working or unsafe heating system. For a weatherization referral (Wx-REF) the request date is the date of referral.

Weatherization Referral (Wx-REF)

Heating system referral made by a Weatherization agency to a WHEAP agency when a household needs heating system service, but the service cannot occur as a part of the weatherization of the dwelling.

Appendix B: Home Energy Plus (HE+) Furnace Program Cost-Related Requirements and Monthly Furnace Invoice

The purpose of this document is to provide guidance to Weatherization (Wx) agencies for applying costs to the HE+ Furnace Program. The HE+ Furnace Program includes three types of referrals for service/funding to address a client's heating system need.

| Type of Service | Program Dates | Description |
|--------------------------------------------|------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| WHEAP Referral Emergency Furnace | October 1 – May 15 (Heating Season) | WHEAP agency refers applicant with no heat, or an unsafe heating system, to the Weatherization agency. |
| WHEAP Referral Non-emergency Furnace | May 16 – September 30 | WHEAP agency refers applicant with a non-working or unsafe heating system to the Weatherization agency. |
| Weatherization Referral (Wx-REF) | October 1 – September 30 (year-round) | Weatherization agency refers applicant (to WHEAP agency to reserve furnace funds) in order to address a heating system that needs to be repaired or replaced. The determination to repair or replace occurs during a Weatherization job pre-audit, audit, or in-progress. |

Monthly Furnace Invoice for Program Support and Administrative Expenses

Weatherization agency expenses related to program support and administration shall be invoiced monthly through the HE+ Furnace Program Monthly Furnace Invoice in the HE+ System. These expenses are not to be included with the individual furnace job expenses.

Actual expenses for Program Support and Administrative costs related to the furnace program are required to be invoiced monthly by the 15th. The HE+ System will allow for a 13th month invoice as a 'true-up' invoice. Wx Agencies shall track HE+ furnace expenses so an accurate reconciliation or 'true-up' can take place. The first Monthly Furnace Invoice for Program Year 15 shall be completed by November 15th to invoice for October actual costs related to Program Support and Administrative Expenses.

Tracking expenses and reimbursement

Each agency shall develop internal controls to address the concern of accidental double-billing of Wx jobs that have furnace work paid with HE+ furnace funds or when furnace activity is combined with Wx-REF activity. The following are a few examples to consider:

1. When an energy audit or pre-audit is performed during the same trip as an Emergency Furnace assessment or inspection, direct costs for the trip (time and transportation), the expenses associated with the Emergency Furnace assessment/inspection, and the weatherization audit shall be tracked and accurately charged to each program (Wx or Furnace).
2. In the case of a Wx-REF where the furnace work is occurring as part of a Wx job, and the auditing time and inspection time would occur regardless of whether the furnace work was performed, expenses would be allocated to the Wx program.
3. When a Wx job is deferred, but has a furnace safety issue that should be addressed, in this case it's likely all audit time would be charged to Wx because the audit was performed for the purpose of weatherizing.
 - a. However, at the point in which it's determined that it will not proceed as a Wx job (deferred) and furnace funds will be used to address the furnace (it's now a Wx-REF), all time and costs related to the furnace replacement/repair would now be allocated to the HE+ Furnace Program.

HE+ Furnace **reimbursement for funds are not a source of discretionary funding**. Any overage accrued by the agency shall be returned. Agencies are responsible for accurately tracking furnace expenses. .

Allowable Costs

Allowable expenses attributable to the HE+ Furnace Program may include program support and administrative costs such as direct (or indirect) staff time, transportation, office space, office supplies, utilities, tools, etc. Guidance on how to account for administrative costs is provided below.

Direct charges (staff time, transportation-related, etc.) related to the Assessment shall be invoiced and included as part of the total cost of replacement/repair and shall be documented by time sheets that accurately report the hours spent on HE+ Furnace Program activities.

If the assessment does not result in a repair or replacement, the labor or trip charge will be categorized as an "assessment only" and should be invoiced in the client's Furnace application as such. Any Administration or Program Support charge related to the 'assessment only' shall be invoiced on the monthly (not per furnace) Weatherization furnace invoice.

Furnace Program Administration Expenses

Furnace Program administrative expenses, including (as applicable) direct or indirect charged staff costs, office space, supplies, telephone, postage, and other shared expenses are considered allowable program costs. The Agency shall review all administrative costs related to the HE+ Furnace Program to ensure the agency is accurately recovering allowable costs.

Guidelines for recovering administrative expenses are as follows:

- I. Personnel expenses (including salaries, applicable taxes, and benefits) may be charged directly to the HE+ Furnace Program, or treated as indirect expenses and allocated to the HE+ Furnace program, using a reasonable and consistent cost allocation plan. Either method is appropriate, but the agency shall elect to use only one method (not both), and once elected the method shall be used consistently.

1. *If personnel expenses are charged directly to the HE+ Furnace Program:*
 - a. Administrative personnel shall keep daily time records that include the hours charged to all programs on which time was spent.
 - b. Personnel expenses charged to the HE+ Furnace Program shall be adequately documented.
 - c. Agencies shall ensure that an audit trail exists from the general ledger entry for personnel expenses each pay period to supporting daily time records.
 2. *If personnel expenses are treated as indirect costs and allocated to the HE+ Furnace Program:*
 - a. The agency shall have procedures in place to ensure that the HE+ furnace program is not charged more than its fair share of indirect expenses.
 - b. The procedures shall be documented in the agency's written and approved cost allocation plan. Allowable methods for allocating indirect expenses are described below.
- II. Indirect expenses, including the cost of administrative staff if treated as an item of indirect cost, may be recovered using one of the following methods:
1. Agencies that use an allocation base other than direct labor hours or direct labor expense to allocate indirect costs to programs may use this base to allocate indirect expenses to the HE+ furnace program, provided that it represents fairly the effort required to administer the program. Total direct program expenses, including direct labor, materials, and subcontractor expense, is a permissible allocation base.
 2. Agencies that use their own crews to repair and replace furnaces, and that use direct labor hours or direct labor expense as an allocation base may use this method to allocate indirect expenses, including the cost of administrative staff, to the HE+ Furnace Program.
 3. Agencies that subcontract furnace repair and replacement work, and that use direct labor hours or direct labor expense as an allocation base may find this an unsuitable method to allocate indirect expenses to the HE+ Furnace Program. In that case, agencies may use a two-step allocation method, as follows:

Step 1: *Allocate all indirect expenses to a temporary cost center that includes both the weatherization and the HE+ Furnace Programs, using direct labor hours or direct labor expense as an allocation base.*

Step 2: *Allocate all indirect expenses from the temporary cost center to the HE+ Furnace and Weatherization programs based on each program's share of total program expenses, including direct labor, materials, and subcontractor expense.*
 4. Agencies that use a federally approved indirect cost rate may use this rate to allocate administrative expenses to the HE+ Furnace Program by applying the rate only to direct labor and materials expense charged to the program. Agencies may not include subcontractor expense in the base to which the rate is applied.

Documentation on the federally approved rate(s) shall be submitted to DES with the final month 13 invoice. These can be submitted to the HE+ Help Desk to the attention of Furnace True-up.

Program Support

Expenses and direct charges (staff time, transportation-related, etc.) for **final inspections for heating system replacements shall be billed as a Program Support cost.**

The Division allows as program support expenses, such items as:

- 1) Transportation, vehicle maintenance, gas
 - a) Gas and oil
 - b) License and taxes
 - c) Tires and vehicle repairs
 - d) Vehicle insurance (collision and liability), Vehicle lease (and lease termination), and/or purchase as applicable Vehicle storage costs
- 2) Tools and equipment
- 3) Direct staff time related to procurement activities for the HE+ Furnace Program
- 4) Direct staff time related to inventory
- 5) Direct staff time related to attending HE+ Furnace Program specific training
- 6) Direct staff time related to conducting the final inspection for heating system replacements.






Costs related to transportation, tools, and equipment may be recovered in one of two ways:

1. These costs may be charged directly to the HE+ Furnace Program. In this case, the agency shall have a suitable method of capturing transportation, tools, and equipment costs. For example, the agency may maintain mileage logs for use of owned or leased vehicles. Agencies may also have procedures for reporting tools and equipment used on jobs. In these cases, the rates used to recover vehicle, tools, and equipment costs shall be reviewed periodically for accuracy and appropriately documented.
2. In some cases, agency personnel may combine HE+ furnace and Wx work in a single trip. If this occurs, the agency shall have procedures in place to allocate transportation, tools, and equipment costs between the two programs. For example, the agency may allocate these costs based on the time the inspector spent on activities related to each program while on the job site.

For additional information on processing furnace monthly invoice review the HE Plus System – Wax Furnace Job Invoicing training modules found on the HE+ T&TA website via ‘Training’ → ‘WHEAP’ → ‘Training Modules’

Training Modules

To view program policy related to training modules please visit www.homeenergyplus.wi.gov.

| Icon | Attachment | Size |
|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-----------|
|  | Contract Setup Reference Guide - September 2014 | 199.98 KB |
|  | Coordinator HE Plus System - Contract Setup (12 min) - September 2014 | 28.72 MB |
|  | Fiscal_Coordinator HE Plus System - Claim Invoice Creation (4 min) - September 2014 | 21.3 MB |
|  | HE Plus System - Wx Furnace Job Costing (8 min) - September 2014 | 21 MB |
|  | HE Plus System - Wx Furnace Job Invoicing (5 min) - September 2014 | 12.14 MB |

Appendix C: Attachment 4 Reference

Attachment 4 - Technical Specifications for Heating System Work for the Wisconsin Weatherization and Home Energy Plus (HE+) Furnace Programs (rev. 10.01.2014)

This document contains the standards for heating system work performed as part of the Wisconsin Weatherization Program and the HE+ Furnace Program (including Emergency Furnace services). It is based, in part, on the Wisconsin Weatherization Field Guide, chapters 3 and 7, and applicable requirements from the Wisconsin Weatherization Program Manual.

The changes to Attachment 4 for Fiscal Year 2015 are marked in yellow highlighted text. The effective date for these changes is no later than Dec. 1, 2014 and may be sooner, if identified by the Weatherization Agency

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Appendix D: Furnace Program Client Agreement

HE+ Furnace Program Client Agreement

| Weatherization Agency | | Client | | Furnace Contractor | |
|-----------------------|--|--------|--|--------------------|--|
| Name | | Name | | Name | |
| Phone | | Phone | | Phone | |

Please check the appropriate response, sign and date this form.

☐ I consent to a heating system replacement. I understand I will be required to surrender my old heating system and allow a Furnace Program staff member to enter my home for a final safety and performance inspection following completion of the installation. If further furnace work is required to comply with safety standards and performance specifications, I agree to allow the contractor to perform the work and a follow-up inspection to take place. I further agree to allow the State of Wisconsin, Department of Administration and/or its designee to enter my home to conduct a quality assurance inspection of work performed. **By accepting this heating system I agree to properly maintain the heating system or future Furnace Program services may be denied. Maintenance may include, but is not limited to the following based on heating system type: Change furnace filters monthly, blockage of supply and return grilles, condensate pump blockage, etc.**

☐ I decline the heating system replacement. (*Please indicate why.)

Client Signature: _____ Date: _____

Printed Name:

Contractor Signature: _____ Date: _____

Printed Name: